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GOVERNMENT OF INDIA DEPARTMENT OF COMMERCE NOTIFICATION

REGISTRATION OF ACCOUNTANTS
New Delhi, the 24th July 1947

No. 1-A(6) 46. In exercise of the powers conferred by sub-section (2) of Section 144 of the Indian Companies Act, 1913 (VII of 1913), the Central Government is pleased to direct that the following further amendments shall be made in the Auditor's Certificates Rules, 1932, the same having been previously published as required by the said sub-section, namely:—

A. In the said Rules—

1. For Rule 38 the following shall be substituted, namely:—

“38(1). No person shall be eligible for inclusion in the list of Registered Accountants entitled to train articled clerks unless he has been in practice as a Registered Accountant either independently, or in partnership with a firm of Registered Accountants, in India for a continuous period of not less than five years immediately before the date of inclusion of his name in the list

Provided that a person shall be eligible for inclusion in the list of Registered Accountants entitled to train articled clerks if he has, in the opinion of the Central Government, sufficient practice as a Registered Accountant as aforesaid in India, and if for a continuous period of not less than three years immediately before the date of the application mentioned in sub-rule (2) he

(i) has been on the Register of Accountants, and

(ii) has been either in practice as a Registered Accountant as aforesaid in India or employed as a paid assistant to a Registered Accountant practising as aforesaid in India or has been partly in such practice and partly so employed:

Provided also that the Central Government may for reasons which it deems sufficient condone any break in the continuity of the said period.

(2) Applications for inclusion in the list shall be submitted through the Provincial Government of the province in which the candidate has his head office to the Secretary to the Government of India in the Department of Commerce and shall be accompanied by—

(i) a statement in Form I (Appendix 6) in case of a person applying in accordance with sub-rule (1), and

(ii) particulars of his practice or that of his firm if applying under the first proviso to sub-rule (1).

A candidate applying under sub-rule (1) may submit his application six months before the completion of the period of practice prescribed by the said sub-rule

(3) A Registered Accountant entitled, or permitted under sub-rule (3) of rule 40 to train articled clerks shall, on ceasing to practise as a Registered Accountant in India inform the Secretary to the Government of India in the Department of Commerce of the fact within thirty days from the date on which he ceases to practise.”

II. In rule 40—

(1) For clause (a) of sub-rule (1) the following shall be substituted, namely:—

“(a) Except as elsewhere provided in this rule a Registered Accountant entitled to train articled clerks may employ not more than the following number of articled clerks at one time, namely:

(i) if his name has been included in the list of Registered Accountants entitled to train articled clerks on completion of not less than five years' practice as a Registered Accountant in India under sub-rule (1) of rule 38... 1

(ii) if his name has been included in the list under the first proviso to sub-rule (1) of rule 38 3.

Provided that a Registered Accountant who is entitled to train one articled clerk may employ two more articled clerks with the permission of the Central Government obtained in writing after completion of ten years' practice as a Registered Accountant in India.

Provided also that a Registered Accountant who immediately before the 24th July 1947, was employing any persons as articled clerks under the rules then in force may continue to employ them and may also take up to the 1st November 1947, and employ, one additional articled clerk, if by doing so the total number of articled clerks employed by him at one time does not exceed four:

Provided further that the number of articled clerks specified above shall be inclusive of the articled clerks employed under the Bye-laws of the Society of Incorporated Accountants and Auditors, London.”

(2) Clause (b) of sub-rule (1) shall be omitted and clauses (c), (d) and (e) of that sub-rule shall be renumbered as clauses (b), (c) and (d) respectively

(3) In clauses (b), (c) and (d) as so re-numbered the words “and apprentices” shall be omitted.

(4) In the proviso to clause (d) as so re-numbered, for the words, letters and brackets “clauses (c), (d) and (e)” the words, letters and brackets “clauses (b), (c) and (d)” shall be substituted.

(5) In clause (a) of sub-rule (3), for the word, letter and brackets “clause (d)”, the word, letter and brackets “clause (c)” shall be substituted.

B. To the Appendices annexed to the said Rules, the following Appendix shall be added, namely:—

“APPENDIX 6

FORM I

[See rule 38(2)]

1. Name

2. Date of enrolment

3. Whether practising independently or whether member of a firm of practising Registered Accountants, and if so, state the period for which acting as such.

4. If a member of a firm, state the position therein, that is to say,

- (i) whether a full fledged legal partner, and if so, state the period for which acting as such and give the names of other partners, or
- (ii) whether a paid partner, or a resident partner, or a manager or a representative in receipt of a salary and/or a percentage of the firm's earnings; or
- (iii) whether a paid assistant to a practising Registered Accountant in receipt of a salary, and if so, from which date;

(iv) whether you have any part time employment in addition to your practice. If so, give particulars of such employment and the time involved therein.

5. Whether employing any Registered Accountant as paid assistant.

6. Whether having any branch offices and if so, state the addresses.

7. The number of paid assistants and audit clerks respectively employed.

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